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### **An Overview of Monroe County's 2013 Annual Trending**

The following steps were taken to conduct the 2014 annual trending in Monroe County:

#### **General Overview:**

Overall the Monroe County market remains extremely stable. Throughout the county some neighborhoods/areas remain flat where others have seen growth and some have shown a slight decrease. Since there isn't any defined pattern and with whatever minimal appreciation or depreciation that has taken place over the year, there was no time adjustments made to any sales. New construction continues to take place within the county. The majority is within the residential classification, although some major commercial projects were completed or are in the process of being completed throughout the county. Monroe County is the home to Indiana University. Enrollment within the university continues to grow each year, resulting in an increased demand for housing, whether it is owner occupied or rental properties. For the entire trending process sales from 1/1/2013 through 2/28/2014 were used. There was no time adjustment of any sales, due to percentage of change remaining flat. The nation's general perception is that housing prices have continued to decline still remains. Within Monroe County this has not been the case. As stated above specific areas within Monroe County continue to show growth not only in sales, but new construction, while other areas have experienced some decreases.

The updated depreciation year and updated Location Code Multiplier (LCM) provided by the state was implemented for all real property parcels. Every residential neighborhood was analyzed. Sales were the primary base for any market factor changes. Additional information such as appealed properties and the net result of the depreciation year and the LCM change was also taken into consideration when determining the appropriate neighborhood/market adjustment factor.

#### **Land Values:**

Land base rates were reviewed and as a whole were left unchanged. Where necessary, a few neighborhoods incurred minimal changes based upon recent sales information. The new agricultural land rate has also been implemented.

### **Market Adjustment Factors (Residential):**

Monroe County has approximately 1060 residential neighborhoods defined. As a result of the updated depreciated year and LCM change all residential property was affected in some manner. As a result of these changes, newly created factors were implemented when necessary. As stated above, Monroe County remains stable as a whole, but certain areas within the county are experiencing growth and certain areas have seen some downward trend. The change is not constant throughout the entire county. New neighborhoods are continually being developed and new updated sales information in these newly developed areas has led to some of these changes.

### **Cost Table Updates (Commercial):**

The county implemented the new depreciation year and the new Location Code Multiplier (LCM) as provided by the state. Only the townships of Bloomington and Perry had any real activity. With the limited number of sales, especially in the smaller townships, this resulted in some combining of areas.

### **Use of Sales information**

Monroe County is committed to utilizing as many valid sales as possible. As stated above, sales from January 1, 2013 through February 28, 2014 were used. Where applicable multiple parcel sales (total of 51) were also used. The DLGF provided the county with a listing of 1815 sales in the "valid reconciliation file". Of these 1815 sales, 1749 were used in the ratio study. Of the 66 that were not used, thirty (30) were due to being outliers, eleven (11) were due to being sold again later in the year and the remainder were for miscellaneous reasons such as containing AG land, property not reflective of market or some significant change in the property. A detailed file has been submitted with this year's ratio study indicating the specific reason as to why they were trimmed. A total of five (5) sales that had originally been marked as invalid for trending purposes were used in the study. Monroe County is committed to using as many sales as possible during the trending process and has taken steps to ensure that the sales used provides the most accurate information relating to the housing and commercial/industrial market within the county.

In order to conduct an analysis of the Improved Industrial grouping sales from 2011 and 2012 were used. Even with the expanding the timeframe a total of only six (6) sales were available. Additionally, 2011 sales were also used in the Commercial Vacant and Industrial Improved studies, due to the very limited number of sales occurring in 2012 and the limited number of properties with this classification. For both of these classification studies, all sales from all townships were combined into one grouping.

The following groupings occurred within the study:

Residential Improved: Polk and Salt Creek Townships were combined due to limited sales

Residential Unimproved: Benton and Washington were combined with Bloomington Township

Bean Blossom was combined with Richland

Commercial Improved: Washington and Van Buren Township were combined

Commercial Vacant: All townships were combined

Industrial Improved: All townships were combined

Industrial Vacant: zero sales activity occurred